

No.: 345/DHG-FN

Cantho, 30th July, 2020

**REPORT ON CORPORATE GOVERNANCE
OF DHG PHARMACEUTICAL JOINT STOCK COMPANY**
(The first 6 months of 2020)

Kind Attn to: - **State Securities Commission**
 - **Ho Chi Minh City Stock Exchange**

- Company's name: DHG Pharmaceutical Joint Stock Company
- Address: 288 Bis Nguyen Van Cu Str., An Hoa Ward, Ninh Kieu Dist., Cantho City
- Tel: 02923 891433 Fax: 02923 895209
- Email: dhgpharma@dhgpharma.com.vn
- Charter capital: VND **1,307,460,710,000**
- Ticker symbol: DHG

I. Activities of the General Meeting of Shareholders

No.	Resolution	Date	Content
1.	001/2020/ NQ.ĐHĐCĐ	29 June 2020	The Annual General Meeting of Shareholders (AGM) 2019 approved the following contents: <ul style="list-style-type: none"> - The Board of Directors (BOD) report regarding the Company's performance in 2019; performance and remuneration of the BOD in 2019; business targets in 2020. - The Audit Committee report in 2019. - Audited consolidated financial statements FY 2019. - Profit distribution in 2019 and profit distribution plan 2020. - Selection of auditor for financial statements FY 2020. - Supplements of business lines. Amendments and supplements of the Charter of DHG Pharma (corresponding to the supplement of business lines)

II. The Board of Directors (the first 6 months of 2020):

1. Information about the Board of Directors' members

No.	BOD members	Position	Starting date to be a BOD member	Meeting attendance	Rate	Reasons for absence
1.	Mrs. Dang Thi Thu Ha	BOD Chairwoman	28 July 2017	8/8	100%	
2.	Mr. Jun Kuroda	BOD Member	15 Aug 2016	8/8	100%	
3.	Mr. Masashi Nakaura	BOD Member General Director (CEO)	11 June 2019	8/8	100%	

No.	BOD members	Position	Starting date to be a BOD member	Meeting attendance	Rate	Reasons for absence
4.	Mr. Maki Kamijo	BOD Member	11 June 2019	8/8	100%	
5.	Mr. Doan Dinh Duy Khuong	BOD Member Chief Operating Officer (COO)	29 Apr 2010	8/8	100%	
6.	Mr. Phan Minh Tien	Independent BOD member	28 Mar 2018	8/8	100%	
7.	Mr. Do Le Hung	Independent BOD member	11 June 2019	8/8	100%	

2. Supervising activities of the Board of Directors over the Board of Management

Supervising and supporting activities of the BOD over the Board of Management (BOM) include:

- Supervising the implementation of Resolutions of the General Meeting of Shareholders, Minutes and Resolutions of the BOD.
- Assessing and giving feedback on management activities in terms of investment, finance, market, sales, human resources, production and quality.
- Supervising, directing and ensure the information is disclosed fully, transparently and promptly in accordance with the regulations of the Stock Exchange and the State Securities Commission.

3. Activities of Committees under the Board of Directors

The BOD Term IV (2019 – 2023) has set up 03 Committees, including Strategic Committee, Nomination Committee and Audit Committee. Quarterly, Committees organize meetings and report to the BOD within the scope of assignments.

- Strategic Committee: Developing strategies for production and business in 2020; Giving advice in terms of the dividend rate in 2020 for the BOD; Advising and counseling the BOD on short-term, mid-term and long-term investment projects under the BOD's authority; Quarterly assessing the implementation of the strategies.
- Nomination Committee: Proposing and advising the BOD on development of human resources, appointing/ dismissing senior managers; Directing and supervising the development of training programs in 2020, developing the Company's salary, bonus and remuneration policies in 2020; Preparing quarterly and annual HR reports.
- Audit Committee: Checking the internal control system and checking the compliance with the operation principles, management, laws, financial regime, accounting, policies, resolutions and decisions of the Company and its subordinates. Checking the compliance in management and administration of business activities, accounting, statistics and preparing financial statements.

4. Resolutions of the Board of Directors

In the first half of 2020, the BOD conducted 08 meetings to resolve issues under the BOD's functions and authorities.

No.	Resolution No.	Date	Contents of Resolutions
1.	001/2020/ NQ.HĐQT	17 Feb 2020	Approving the relinquish application as a person in charge of corporate governance and BOD Secretary of Ms. Le Thi Hong Nhung from 01 March 2020. Appointing positions as follows: + Ms. Duong Kim Loan – Position: The person in charge of corporate governance cum BOD Secretary from 01 Mar 2020. + Ms. Vu Thi Huong Lan – Position: HR Director from 17 Feb 2020
2.	002/2020/ NQ.HĐQT	06 Mar 2020	Approval of periodic reports in 2019 – plan of 2020: BOD Secretary Report; Report on the BOD Remuneration Fund; BOM Report; Report of Nomination Committee; Report of Audit Committee. Approved the CAPEX plan of 2020; preparation for the AGM 2019 and other contents within the BOD's authorities.
3.	003/2020/ NQ.HĐQT	18 Mar 2020	Revising the organization time of the AGM 2019 from 21 Apr 2020 to 10 June 2020.
4.	004/2020/ NQ.HĐQT	06 Apr 2020	Approving the advance dividend Phase 1/2019 and the BOM reports.
5.	005/2020/ NQ.HĐQT	28 Apr 2020	Approval of the BOD Secretary report; The BOM report in 1Q/2020 and 2Q/2020 plan.
6.	006/2020/ NQ.HĐQT	19 May 2020	Approval of changing the AGM organization date from 10 June 2020 to 29 June 2020. Approval of documents submitted to the AGM 2019.
7.	007/2020/ NQ.HĐQT	02 June 2020	Adjustment of the budget limit and credit limit of DHG Pharma in 2020 and approval of the contents submitted to AGM 2019.
8.	008/2020/ NQ.HĐQT	29 June 2020	Approving Report of the BOM regarding updating the business results in 2Q/2020, 1H/2020 and 2H/2020 plan. Appointing Mr. Pham Chi Truc to the VP Finance position of DHG Pharma from 04 July 2020 to 03 July 2022. Implementing the AGM Resolution 2019.

III. Corporate Governance Training:

Members of the BOD, BOM and BOD Secretary and the Person in charge of Corporate Governance participated in training courses, forums, seminars related to corporate governance. At the same time, in 2019, DHG Pharma evaluated its corporate governance performance in accordance with 10 principles of “Vietnam Corporate Governance Code of Best Practices” published by the State Securities Commission of Vietnam (SSC) and International Finance Corporation (IFC). DHG Pharma responded rather well to this set of governance principles.

IV. List of related persons of the Company in accordance with Clause 34, Article 6 of the Law on Securities and transactions between the Company's related persons with the Company itself (Report in the first 6 months of 2020)

1. List of related persons of the Company

Annex I: List of related persons of the Company has been enclosed.

2. Transactions between the Company and its related persons; or between the Company with major shareholders, internal persons, related persons of internal persons:

<u>Related parties</u>	<u>Relationship</u>
Vinh Hao Algae Processing Joint Stock Company	Associate
Taisho Pharmaceutical Co., Ltd. ("Taisho")	Major shareholder
The State Capital Investment Corporation ("SCIC")	Major shareholder

	Fiscal period ended	
	30.06.2020	30.06.2019
	VND	VND
Purchases of goods and services		
Vinh Hao Algae Processing Joint Stock Company	1,414,511,200	1,589,972,400
Dividends paid		
SCIC	169,878,711,000	113,252,474,000
Taisho Pharmaceutical Co., Ltd.	200,091,156,000	91,522,172,000

3. Transactions between the Company's internal persons, related persons of internal persons with subsidiaries and the company controlled by DHG Pharma: Nil

4. Transactions between the Company and other subjects:

4.1. Transactions between the Company and the company in which the BOD members, BOS members, Executive Director (General Director) were or have been founding members or BOD members, Executive Director (General Director) in recent three (03) years (calculated from the time of making the report): Nil

4.2. Transactions between the Company and the company in which a related person of the BOD member, BOS member, Executive Director (General Director) is a member of the BOD, Executive Director (General Director): Nil

4.3. Other transactions of the Company (if any) can bring material or non-material benefits to the BOD members, BOS members, Executive Director (General Director): Nil

V. Transactions between internal shareholders and related persons (6Ms/2020):

1. List of internal persons and their related persons:

Annex II: List of internal persons and their related persons has been enclosed.

2. Transactions of internal persons and related persons on the Company's shares:

Annex III: Transactions of internal persons and related persons on the Company's shares has been enclosed.

VI. Other significant issues: Nil.

Recipients:

- As above;
- Archived: AT, FN

**CHAIRWOMAN OF
THE BOARD OF DIRECTORS**

DANG THI THU HA

[Notice: This convocation notice is a translation of the vietnamese language original for convenience purpose only, and in the event of any discrepancy, the vietnamese language original shall prevail.]

ANNEX I: LIST OF RELATED PERSONS OF THE COMPANY

No.	Name of individual/organization	Securities trading account (if any)	Position at the company (if any)	ID no./ Business registration no.	Issued date of ID/ Business registration	Issued place of ID/ Business registration	Address	Time of starting to be related person	Time of ending to be related person	Reasons
I. Related persons of the Company										
1	Dang Thi Thu Ha		BOD Chairwoman					28 July 2017		BOD Chairwoman since 11 June 2019
2	Jun Kuroda		BOD member					15 Aug 2016		
3	Masashi Nakaura		BOD member General Director (CEO)					11 June 2019		
4	Doan Dinh Duy Khuong		BOD member Chief Operating Officer (COO) Authorized person to disclose information					29 Apr 2010		
5	Maki Kamijo		BOD member					11 June 2019		
6	Phan Minh Tien		Independent BOD member					28 Mar 2018		
7	Do Le Hung		Independent BOD member Head of Audit Committee under the Board of Directors					11 June 2019		
8	Nguyen Ngoc Diep		Deputy General Director cum Production Director					01 May 2012		
9	Tomoyuki Kawata		Deputy General Director					25 Oct 2017		
10	Pham Chi Truc		Deputy General Director					04 July 2020		
11	Le Thi Hong Nhung		Finance Director					29 Oct 2010		
12	Lam Dieu Phi		Marketing Director					01 May 2016		
13	Ngo Thi Phuong Loan		QM Director					01 Nov 2019		
14	Vu Thi Huong Lan		HR Director					17 Feb 2020		
15	Huynh Thi Kim Tuoi		Distribution Center Director					01 Jan 2017		
16	Vo Van Kim Y		Technical Director					01 Aug 2018		
17	Atsushi Toyoshima		Supply Chain Director					01 Jan 2018		
18	Ho Buu Huan		Chief Accountant					14 July 2016		
19	Duong Kim Loan		BOD Secretary, the person in charge of Corporate Governance					01 Mar 2020		
II. Related organization										
1	Fuji Medic Limited Liability Company		Subsidiary (51% owned by DHG Pharma)					27 July 2016		The Company is implementing the procedures to dissolve Fuji Medic in order to restructure and streamline the Company's operation.

ANNEX II: LIST OF INTERNAL PERSONS AND THEIR RELATED PERSONS

No.	Name of individual/organization	Securities trading account (if any)	Position at the company (if any)	ID no./ Business registration no.	Issued date of ID/ Business registration	Issued place of ID/ Business registration	Address	Number of shares owned (**)	Percentage of share ownership (**)	Note
1	Dang Thi Thu Ha		BOD Chairwoman					34,000,000	26.00%	Individual ownership: 0 share; SCIC representative: 34,000,000 shares
Related individuals										
1.1	Do Viet Dung		Husband							
1.2	Do Viet Thang		Offspring							
1.3	Do Khanh Giang		Offspring							
1.4	Dinh Thi Van		Mother							
1.5	Dang Hong Son		Sibling							
1.6	Dang Thi Thu Thuy		Sibling							
Related organizations										
1.1	Vietnam Dairy Products Joint Stock Company		BOD member							
1.2	Benovas Oncology Joint Stock Company		BOD member							
2	Jun Kuroda		BOD member					0		
Related individuals										
2.1	Akiko Kuroda		Wife							
2.2	Namiko Kuroda		Offspring							
2.3	Shin Kuroda		Sibling							
Related organizations										
2.1	Taisho Pharmaceutical Co., Ltd. Japan		Member of the Board, Senior Executive Officer					66,697,052	51.01%	
2.2	Taisho Co., Ltd. Shanghai		Chairman of the Board							
2.3	Taisho Pharmaceutical California Inc.		President Director							
2.4	Taisho Pharmaceutical (M) Sdn Bhd. (Malaysia)		Director							
2.5	Taisho Pharmaceutical Singapore Private Limited		Managing Director							
2.6	Osotspa Taisho Pharmaceutical Co., Ltd. (Thailand)		Director							
2.7	Taisho Vietnam Co., Ltd.		Director							
2.8	Compania Internacional de Comercio, S.A.P.I de C.V.(Mexico)		President Director							
2.9	UPSA SAS (Union de Pharmacologie Scientifique Appliquée Société par Action Simplifiée)		Chairman							
2.10	PT Taisho Pharmaceutical Indonesia Tbk		President Director							
2.11	Taisho Pharmaceutical Asia (M) SDN. BHD.		Director							
3	Masashi Nakaura		BOD member General Director (CEO)					0		
Related individual										
3.1	Nanae Nakaura		Wife							

No.	Name of individual/organization	Securities trading account (if any)	Position at the company (if any)	ID no./ Business registration no.	Issued date of ID/ Business registration	Issued place of ID/ Business registration	Address	Number of shares owned (**)	Percentage of share ownership (**)	Note
4	Doan Dinh Duy Khuong		BOD member Chief Operating Officer (COO) Authorized person to disclose information					22,626,244	17.31%	Individual ownership: 7 shares; SCIC representative: 22,626,237 shares
Related individuals										
4.1	Doan Vinh Quang		Father							
4.2	Nguyen Thi Ngoc Diep		Mother							
4.3	Ha Thi Anh Tuyet		Wife							
4.4	Doan Dinh Duy Nguyen		Sibling					1,780	0.00%	
4.5	Doan Dinh Duy Dong		Sibling							
4.6	Doan Dinh Tuan Huy		Sibling					9	0.00%	
4.7	Doan Ha Anh		Offspring							
4.8	Doan Van Anh		Offspring							
5	Maki Kamijo		BOD member					0		
Related individuals										
5.1	Setsuko Kamijo		Wife							
5.2	Azusa Kamijo		Offspring							
5.3	Kumiko Kamijo		Mother							
6	Phan Minh Tien		Independent BOD member					0		
Related individuals										
6.1	Phan Minh Dong		Father							
6.2	Le Thi Cuc		Mother							
6.3	Nguyen Thi Viet Thanh		Wife							
6.4	Phan Le Thanh Hoa		Sibling							
6.5	Phan Le Thanh Mai		Sibling							
6.6	Phan Le Nhi Mai		Sibling							
6.7	Phan Le Tam Mai		Sibling							
6.8	Phan Minh Thien		Sibling							
6.9	Phan Nguyen Mai Khoi		Offspring							
6.10	Phan Nguyen An Khoi		Offspring							
6.11	Phan Minh Khoi		Offspring							
Related organization										
6.1	Moc Chau Dairy Cattle Breeding J.S.C		BOD member							
7	Do Le Hung		Independent BOD member Head of Audit Committee under the Board of Directors					0		
Related individuals										
7.1	Do Hoang Long		Offspring							
7.2	Do Hoang Linh		Offspring							
7.3	Do Minh Ngoc		Father							

No.	Name of individual/organization	Securities trading account (if any)	Position at the company (if any)	ID no./ Business registration no.	Issued date of ID/ Business registration	Issued place of ID/ Business registration	Address	Number of shares owned (**)	Percentage of share ownership (**)	Note
7.4	Le Thi Hoa Tieu		Mother							
7.5	Do Le Minh		Sibling							
7.6	Do Le Hoang		Sibling							
Related organizations										
7.1	Vietnam Dairy Products Joint Stock Company		Independent BOD member Head of Audit Committee							
7.2	An Gia Real Estate Investment & Development Joint Stock Company		Independent BOD member - Head of Audit Committee							
7.3	South Logistics Joint Stock Company		Independent BOD member							
7.4	GTNFOODS Joint Stock Company		Independent BOD member							
7.5	Vietnam Institute of Directors (VIOD)		BOD member							
8	Nguyen Ngoc Diep		Deputy General Director cum Production Director					3,180	0.00%	
Related individuals										
8.1	Duong Thi Kim Tuyen		Mother (deceased)							
8.2	Nguyen Kim Chi		Sibling							
8.3	Nguyen Ngoc Buu		Sibling							
8.4	Nguyen Van Thuan		Husband							
8.5	Nguyen Hoang Khang		Offspring							
8.6	Nguyen Ngoc Kim Khanh		Offspring							
9	Tomoyuki Kawata		Deputy General Director					0		
Related individuals										
9.1	Risa Kawata		Offspring							
9.2	Miki Kawata		Offspring							
9.3	Yuri Kawata		Offspring							
10	Pham Chi Truc		Deputy General Director					0		
Related individuals										
10.1	Pham Chi Thiep		Father							
10.2	Le Thi Me		Mother (deceased)							
10.3	Phan Thi Quynh Giao		Wife							
10.4	Pham Chi Bao		Offspring							
10.5	Pham Chi Quang		Offspring							
10.6	Pham Chi Trung		Sibling							
10.7	Pham Chi Thanh		Sibling							

No.	Name of individual/organization	Securities trading account (if any)	Position at the company (if any)	ID no./ Business registration no.	Issued date of ID/ Business registration	Issued place of ID/ Business registration	Address	Number of shares owned (**)	Percentage of share ownership (**)	Note
11	Le Thi Hong Nhung		Finance Director					7,426	0.01%	
Related individuals										
11.1	Le Anh Tuan		Father							
11.2	Tran Thi Theu		Mother							
11.3	Le Hoang Nam		Husband							
11.4	Le Thi Hong Gam		Sibling							
11.5	Le Thi Hong Voc		Sibling							
11.6	Le Thi Thanh Bac		Sibling							
11.7	Le Thu Hien		Sibling							
11.8	Le Nguyen Hung		Offspring							
11.9	Le Nhat Vuong		Offspring							
12	Lam Dieu Phi		Marketing Director					9,744	0.01%	
Related individuals										
12.1	Lam Van Men		Father							
12.2	To Thuc Khen		Mother							
12.3	Le Thi Linh Chi		Wife							
12.4	Lam Phuc Nguyen		Offspring							
12.5	Lam Khoi Nguyen		Offspring							
12.6	Lam Ngoc Chi		Sibling							
12.7	Lam Ngoc Huong		Sibling							
12.8	Lam Ngoc Nhi		Sibling							
12.9	Lam Dieu Quoc		Sibling							
Related organization										
12.1	Vinh Hao Algae Processing Joint Stock Company		BOD Chairman General Director							
13	Ngo Thi Phuong Loan		QM Director					210	0.00%	
Related individuals										
13.1	Giang Trung Son		Foster father							
13.2	Ly Kim Yen		Mother							
13.3	Nguyen Quang Tien		Husband							
13.4	Nguyen Phuong Minh Thao		Offspring							
13.5	Nguyen Quang Tuan		Offspring							
13.6	Giang Trung Anh		Sibling							
13.7	Giang Tuyen Anh		Sibling							
14	Vu Thi Huong Lan		HR Director					0		
Related individuals										
14.1	Vu Van Chin		Father							
14.2	Ngo Thi Oanh		Mother							
14.3	Do Minh Ngoc		Offspring							

No.	Name of individual/organization	Securities trading account (if any)	Position at the company (if any)	ID no./ Business registration no.	Issued date of ID/ Business registration	Issued place of ID/ Business registration	Address	Number of shares owned (**)	Percentage of share ownership (**)	Note
14.4	Vu Thanh Lap		Sibling							
15	Huynh Thi Kim Tuoi		Distribution Center Director					1,868	0.00%	
Related individuals										
15.1	Nguyen Xuan Huan		Husband							
15.2	Nguyen Xuan Huy		Offspring							
15.3	Nguyen Huynh Nhat Huyen		Offspring							
15.4	Huynh Thi Cam Hong		Sibling							
15.5	Huynh Thi Cam Thu		Sibling							
15.6	Huynh Hoa Dan		Sibling							
15.7	Huynh Thi Kim Viet		Sibling							
15.8	Huynh Thi Kim Sang		Sibling					15	0.00%	
15.9	Huynh Thi Kim Thanh		Sibling					15	0.00%	
15.10	Huynh Thi Ut		Sibling							
16	Vo Van Kim Y		Technical Director					1,665	0.00%	
Related individuals										
16.1	Cao Thi Minh Tuyet		Mother							
16.2	Vo Ton Nguyen		Sibling							
16.3	Vo Thi Hien		Sibling							
16.4	Vo Thi Kim Hien		Sibling							
16.5	Vo Kim Xuong		Sibling							
16.6	Vo Thi Lien		Sibling							
16.7	Vo Van Kim Bang		Sibling							
16.8	Vo Van Kim Van		Sibling							
17	Atsushi Toyoshima		Supply Chain Director					0		
Related individuals										
17.1	Tran Thi Kim Ngoc		Wife							
17.2	Fumihiko Toyoshima		Offspring							
17.3	Namihiko Toyoshima		Offspring							
18	Ho Buu Huan		Chief Accountant					929	0.00%	
Related individuals										
18.1	Ho Cong Nghe		Father							
18.2	Nguyen Thi Nghiep		Mother							
18.3	Ho Le Kha Han		Offspring							
18.4	Ho Le Khoi Nguyen		Offspring							
18.5	Ho Buu Ky		Sibling							
18.6	Ho Mong Nuong		Sibling							
18.7	Ho Mong Kinh		Sibling							
18.8	Ho Mong Trac		Sibling							

No.	Name of individual/organization	Securities trading account (if any)	Position at the company (if any)	ID no./ Business registration no.	Issued date of ID/ Business registration	Issued place of ID/ Business registration	Address	Number of shares owned (**)	Percentage of share ownership (**)	Note
19	Duong Kim Loan		BOD Secretary, the person in charge of Corporate Governance					9	0.00%	
Related individuals										
19.1	Duong Van Liep		Father							
19.2	Van Thi Hao Thanh		Mother							
19.3	Duong Thi Thanh Hang		Sibling							
19.4	Duong Thi Thanh Huong		Sibling							
19.5	Duong Thanh Kim Phung		Sibling					1	0.00%	
19.6	Duong Minh Tri		Sibling							

(*) Number of shares owned is in accordance with list of shareholders on 15 July 2020

ANNEX III: TRANSACTIONS OF INTERNAL PERSONS AND RELATED PERSONS ON THE COMPANY'S SHARES

No.	Transaction executor	Relationship with internal person	Number of shares owned at the beginning of the period		Number of shares owned at the end of the period		Reasons for increase, decrease (purchase, sale, switch, reward, etc)
			Number of shares	Percentage	Number of shares	Percentage	
Internal person							
1	Doan Dinh Duy Khuong	BOD member Chief Operating Officer (COO) Authorized person to disclose information	36,237	0.03%	7	0.00%	Sold 36,230 shares
Related party							
2	Doan Dinh Tuan Huy	Related person of Mr. Doan Dinh Duy Khuong	3,769	0.00%	9	0.00%	Sold 3,760 shares